



U.S. Department of Justice

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NEWS SUMMARY:

Steven M. Biskupic, United States Attorney for the Eastern District of Wisconsin, announced that Lee Dagostini (DOB: 8/14/59) was sentenced yesterday by United States District Judge Lynn Adelman to 155 months in federal prison. Dagostini was sentenced after he pleaded guilty in March 2005 to credit card fraud, mail fraud, money laundering, and conspiracy to commit money laundering. Dagostini was also ordered to serve five years of supervised release following his incarceration, and to pay a total of \$1.2 million in restitution to the banks and credit card issuers he defrauded.

United States Attorney Steven M. Biskupic stated: "Credit card fraud and money laundering are serious offenses. This case underscores that those convicted of significant white-collar crimes face long prison sentences."

According to the charges and evidence presented at sentencing:

- For at least nine years – from 1995 through July 2004 – Defendant Lee Dagostini created at least 31 fake identities that he used to obtain over 250 credit cards. He then "busted out" many of those credit cards and walked away from the debts. He exposed 15 credit card issuers to over \$2.45 million in potential losses and caused them to suffer over \$1.2 million in actual losses. Over \$1 million of those losses were suffered by 12 federally insured banks.
- Dagostini also laundered at least \$271,000 of the proceeds of his credit card fraud by funneling those proceeds through a fictitious credit-counseling firm he created.
- During June 2004, within weeks after he was first arrested in this case and while he was subject to court-ordered home confinement, Dagostini conspired with his wife and his mother-in-law to continue his money laundering activities. On June 24, 2004, Dagostini caused them to open a new bank account in his mother-in-law's name and to deposit a \$20,000 convenience check – drawn on a credit card he had obtained by fraud – into that account. On July 6, 2004, Dagostini caused his mother-in-law to transfer those criminal proceeds to yet another account in an effort to hide the money from the United States government.

Lee Dagostini

- The court granted the United States' motion to forfeit that money and other property that Dagostini obtained through his scheme, including more than \$80,000 from 21 bank accounts, \$35,000 in currency, and proceeds from the sale of two of the three properties he owned in Waukesha County.

This case was investigated by the City of Waukesha Police Department, the United States Secret Service, the United States Postal Inspection Service, and the Internal Revenue Service, Criminal Investigation Division. The case was prosecuted by Assistant United States Attorney Scott J. Campbell.

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